

GHANA FREE ZONES BOARD

The Ghana Free Zones Scheme is an integrated Programme to promote processing and manufacturing of goods through the establishment of Export Processing Zones (EPZs) and encourages the development of commercial and service activities at seaport and airport areas.

In essence, the whole of Ghana is accessible to potential investors, who have the opportunity to use the free zones as focal points to produce goods and services for foreign markets.

The Ghana Programme is also completely private sector driven. Government's role is limited to the facilitation, regulation and monitoring of the activities of zone developers/operators and enterprises.

The Ghana Free Zones Board is the governing body in charge of issuing licenses to investors who meet the necessary requirements.

ACQUIRING OF LICENCES

A company that wants to attain the status of a Free Zone Enterprise has to apply for a license. This application should:

- (a) Be in writing;
- (b) Submitted to the Secretariat of the Board;
- (c) Specify the zone to be developed or managed or both or the trade, business or industry for which the license is required: and
- (d) Be accompanied with such other information as the Board may require.

Generally, a response will be made to your application within twenty-eight (28) working days from the date of the receipt of the application by the Board either approving the application and granting the license or not granting it for reasons such as one not meeting the conditions attached to it.

INCENTIVES

The incentives available under the Free Zone status are include:

- 100% exemption from payment of direct and indirect duties and levies on all imports for production and exports from free zones.
- For ten (10) years, a free zone developer or enterprise is granted 100% exemption from payment of income tax on profits. Income tax rate is capped at 8% after this ten (10) year period
- Total exemption from payment of withholding taxes from dividends arising out of free zone investments.
- There is also relief from double taxation for foreign investors and employees.
- When it comes to customs and excise obligations, a Free Zones enterprise in not required to obtain import licenses and customs formalities are immersed.
- There are no restrictions on total foreign or local ownership of free zone enclaves and enterprises.

As regards capital or profit repatriation, there are no conditions or restrictions on:

- i. payments for foreign loan servicing;
 - ii. payments of fees and charges for technology transfer agreements;
 - iii. remittance of proceeds from sale of any interest in a free investment.
- A free zone developer is allowed to operate foreign currency accounts with banks in Ghana.
 - A Free Zones enterprise or company is permitted to sell 30% of their annual production of goods and services on the local market and export the remaining 70%.
 - Investment in Free Zone is guaranteed against nationalization and expropriation.